FEDERAL BUREAU OF INVESTIGATION FOI/PA DELETED PAGE INFORMATION SHEET FOI/PA# 1430056-000

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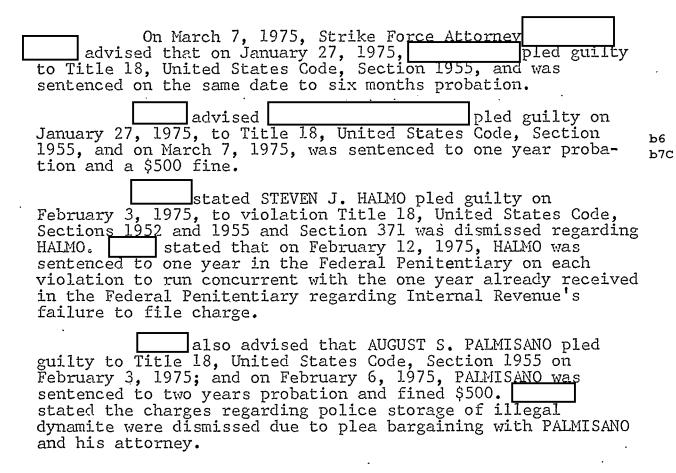
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SUMMARY OF PROSECUTIVE ACTION



<u>Title Continued</u> :

Copy Count Continued:
(1 - 166-364) (1 - 182-228) (1 - 182-370) (1 - 182-361) (KERMENDY) (1 - 165-128) (BRODSON) (1 - 182-394) (SPINELLA) (1 - 182-663) (1 - 182-663) (1 - 182-386) (1 - 182-386) (1 - 182-386) (1 - 182-386) (1 - 182-396) (RJH (15)
For the information of the Bureau, PALMISANO, HALMO, all have pled guilty regarding TGB violation. Trial for BRODSON is being reported under MI 182-386, Bureau file 182-2596. entitled, " STEVEN J. HALMO; SIDNEY A. BRODSON; ITWI; IGB; CONSPIRACY. OO: MILWAUKEE". Forthcoming trial regarding KERMENDY, will be reported under MI 182-228, Bureau file 182-2322, entitled, 'ET AL; IGB. OO: MILWAUKEE".
OOJ character being deleted as USA feels the disciplinary action regarding police officers

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was adequate punishment regarding their involvement with PALMISANO. Investigative period of this report extended in the interest of brevity regarding the IGB violations concerning PALMISANO's gambling operation and also to incluse sentence imposed.	ь6 ь7с de ь6
INFORMANTS	b7С b7D
Childring in management and principles of the Childring in the Childring i	

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side of Milwaukee), and source all collaborated the week

(an Italian American

the south

he had been indicted by the FBI for gambling.

who owns an establishment on

Source advised AUGIE PALMISANO

before and hit several places. Source advised they started at Richies and then went to Little Caesar's, Sally's Restaurant and Monreo's on the south side as well as lew Yorker Lounge.
Source feels PALMISANO have some business deals together as upon their arrival at FRANK and AUGIE went to a separate room and talked for approximately one half hour. Source stated that while they were at someone called came down to the tavern. Source was unable to learn why was there but feels also has some business deals going with
Source also advised PALMISANO's AUGIE's inasmuch as is suspicious AUGIE is taking his out.
Source advised on 12-10-74 that he was present at Little Caesar's Tap when FNU was taken by AUGIE for five or six grand shooting craps. wanted to pay in check but AUGIE would not accept it stating, "If you'd won, you would have been paid in cash and I want cash now." Source advised PALMISANO became engaged in conversations which he could not determine the contents of and shortly thereafter. left. Source is attempting to find out how is being required to pay his debt.
Source stated that the same night, AUGIE had his with him and for some unknown reason, jumped up and around.
Source learned AUGIE PALMISANO is buying business of but will not take over his warehouse or trucks but is only interested in customers.
Source stated that PALMISANO appears to play the hoodlum role more and seems to be a contact for every hood or ex convict that comes into the Milwaukee area. He advised Richies Tavern is the place if you have a deal to

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F COVER PAGE make with the "boys" so go to Richies first. He further advised that this is evidenced by the fact that PALMISANO two years ago was barely making it financially but now appears to have all kinds of money; moving in different financial circles than he ever has in the past. He advised PALMISANO has five taverns, a produce business, and seems to be expanding. He also advised PALMISANO paid seven grand to his attorney regarding the recent indictment of gambling charges by the FBI. Source advised he makes these conclusions based upon the fact he has known these people all his life being raised on the east side of Milwaukee as well as through occupational contacts.

AUGIE PALMISANO

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Source advised

because <u>IPALMISANO are related to FRANK BALISTRIERI.</u>
He stated that and that
PALMISANO is related somehow through marriage. He
also advised stays in the background and is used
primarily as a financial advisor inasmuch as appears
to be a very good businessman and spends his money wisely.
On 1-9-75, source advised he had attended a party
for AUGIE PALMISANO's wife in which all the boys were there.
Source stated that PALMISANO got drunked
up and began talking in Sicilian, mentioned that
this guy that got him on the furs had been in his tavern to
talk things out. Source stated from the gist of the conver-
sation, he thought this had been recently. advised
PALMISANO that the FBI had put a recording device on the
heel of this individual's shoe and refused to talk
about the incident.

are connected with the outfit and he feels this is true

PALMISANO stated that they were going to attempt to "reach" this guy the next time they can ascertain if he is in Milwaukee. Source stated he did not interpret this to mean that they were going to put a contract on him or do any bodily harm to the individual.

PALMISANO in the event anything like this would occur, and he would immediately advise.

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On 2-6-75, source stated PALMISANO paid for the new produce route in Madison. PALMISANO is working every day on the route training a man to take it over permanent! Source also advised AUGIE is trying to buy a place in Ozaukee County. Source will furnish details whenever he learns more regarding the business in Ozaukee County.	.y•
`	b'
On 12-3-74, source advised he recently observed with a young white male in his blond hair, who runs or works at the Clark service station on South 60th Street and Oklahoma Avenue, Milwaukee. Informant has heard that this individual may currently be involved in gambling activities.	b'
About one year ago, was conducting some of his gambling activities out of the Fiddlers Green Bar on 62nd and Burnham.	
Informant has recently heard some unknown	
and Beloit on Friday nights. Informant was instructed to attempt to obtain further information concerning this	
On 12-27-74, informant advised that had in the past working for him in his operation. One of these and both of them allegedly took action on the north side of Milwaukee, Wisconsin, and turned it into took this action along with other action and turned it in to the individuals he was working for. Informant has heard that was somehow connected with AUGUST PALMISANO in this gambling operation.	
While was accepting action, he began holding a considerable amount of it that was supposed to be turned in. As a result, he owed approximately in action which he had failed to turn in. Whoever was in charge of the operation allegedly put a contract out for and one of the individuals who was to carry out this contract was for the Milwaukee area hoodlums. This occurred approximately one year ago and apparently realizing he was in trouble, ran away to He later allegedly got in touch with someone in	
Milwaukee to help straighten the matter out and the contract on him was subsequently cancelled. Its employed at	

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sits at the bar, drinks and plays dice. reportedly lost a large amount of money to PALMISANO at that location recently.
Source also noted that in his recent visits to Richies on Broadway which is operated by AUGIE PALMISANO, it is noted that AUGIE has four to five girls there who work in a call girl type operation. Source noted these women look out of place at Richies because it's such a dump.
On 12-31-74, source advised that two female
companions of AUGIE PALMISANO sometimes Richies. is hanging and was supposedly going to
On 1-19-75, source advised that AUGIE PALMISANO is completely and totally out of the bookmaking business and does not even place wagers at the present time. PALMISANO is somewhat concerned over his pending trial in federal court. Source further noted that he believes from conversations with STEVE HALMO that HALMO is using as a beard to bet into operation. was required to put prior to betting into this operation.
On 2-4-75, source advised that he had learned that is attempting to set up a meeting with AUGIE PALMISANO is somewhat apprehensive as he fears the Italian bookmaking element. Source does not know at this time whether or not the meeting has taken place or will take place.
On 2-8-75, source advised that there was a lot of talk among the bookmaking community about the recent sentencing of AUGIE PALMISANO. The word was that AUGIE had convinced the judge that he was a "choir boy" and there was some speculation that the fix may have been put on for AUGIE.
Source advised on 12-18-74 that he talked with She stated won at football. Source stated that he did not question her further nor did he know if this was his total take or what he got from juice. Source

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Source also advised he learned AUGIE PALMISANO had won betting on football. Source again did not know if this was from personal bets or if it had to do with a bookmaking operation.
Source advised he was in Richies Tavern on a Wednesday when came in. He stated that called and the bartender into the back room and source observed ive money and would give it to AUGIE later. Source advised he has observed do this on several occasions but most of the time it has been a white envelope he has seen passed to AUGIE Source has no idea what the money is for but assumes paying AUGIE for the financial aid from AUGIE regarding tlubs. Source also conjectured it could be part of AUGIE's take regarding the clubs inasmuch as everyone feels AUGIE owns these clubs anyway.
On 1-9-75, source asked AUGIE PALMISANO about the operation. He said that PALMISANO advised him that still owes money from football season and he would not get involved with as PALMISANO felt could not pay off. Source advised that PALMISANO seemed to know all about the operation but advised he, PALMISANO, had not been connected with during the football season.
Source also talked to STEVE HALMO about and HALMO advised him against becoming involved in operation. In conversation with HALMO, he learned that HALMO got a number from FRANKIE BALISTRIERI so that he would be taken care of when he got to prison. Source assumes this number has to do with some individual in Sandstone as HALMO thinks he is going to Sandstone.
Source advised that who is AUGIE PALMISANO's 89th and Greenfield in West Allis and is advised the place is wide open with plenty of action.
Source advised that continues to

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the rear room, they were apparently pleased with what they had seen.

perturbed about and ordered the music to be turned off, the go-go dancers to go home, and the uninvited patrons outside the aforementioned individuals were ordered to leave the bar.

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Sometime after went behind the bar, reached down in the general area of the ice bucket under the bar, and began pulling out small brown packages and handing them to AUGIE, Source described the packages as being about 2½ to 3 inches long, I inch wide, and 2 inches high wrapped in brown paper. PALMISANO commented, "I've been waiting for these." Source does not know what the contents were of these packages.

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UNITED STATES DEPARTMENT OF JUSTICE FEDERAL BUREAU OF INVESTIGATION

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Copy to:	1 - USA, Milwaukee 1 - Chicago (AIC, CFO,	(RM)	•
Report of: Date:	SA March 13, 1975	Office: Milwauke	ee
Field Office File #:	MI 166-364	Bureau File #: 166-5	5400
Title:	AUGUST S. PALMISANO; STEVEN JOHN HALMO; SIDNEY ALBERT BRODSON; FRANK GENO SPINELLA;	1	Ь6 Ь7С
			Ь7D
Character:	INTERSTATE TRANSPORTATION GAMBLING; ILLEGAL GAMBLING TRANSMISSION OF WAGERING	ING BUSINESS; INTERSTA	ATE
Synopsis:	Report regarding addition reflects horse and footh	pall wagers totaling <u>S</u>	12-8-9-74
l		statements regarding ng operations.	did
	pled guilty to TI8, USC, two years probation and charges regarding PALMIS guilty to T18, USC, S195 HALMO was sentenced to regarding both counts to already received regarding uilty T18, USC, S1955 a	\$51955 and was senter \$500 fine. Dynamite SANO dismissed. HALMO 55 and 1952 with S371 one year in a Federal orun concurrent to or ing IRS charges. Land was sentenced to a	storage pled dismissed. penitentiary e year pled six months
	•	-C	
DETAILS:			
	The following by Special Agent (SA) Palm Beach, Florida:	investigation was con	nducted at West

On December 20, 1974.
advised that
which formerly had
1973 Florida registration number .
advised that she is a native of Milwaukee, Wisconsin, and was visiting relatives in Milwaukee approximately two years ago.
added it is quite possible she did visit Richie's Tavern in Milwaukee, but AUGIE PALMISANO is not known to her.

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REPORT of the



FEDERAL BUREAU OF INVESTIGATION WASHINGTON, D. C. 20535

To: SAC, MILWAUKEE (166-364) Re: AUGUST S. PALMISANO, aka; ET AL; ITAR - GAMBLING; IGB; OOJ; CONSPIRACY (00: MILWAUKEE)	Date: January 30, 1975 FBI File No. 166-5400 Lab. No. G-01516 OD
Specimens received 1/27/75	
Qc63 Photocopies of transcripts of on telephone number	convergations intercepted
Qc64 Photocopies of transcripts of on telephone number	conversations intercepted
Result of examination:	

The submitted material will be returned separately.

2 Admit Guilt in Clambling

Two men pleaded guilty in Federal Court here Monday to gambling charges stemming from FBI raids on Super . Bowl Sunday, Jan. 13, 1974.

Steven J. Halmo, 53, of 716 S. 7th St., and August Palmisano, 46, of 5358 N. Kent Ave., Whitefish Bay, we'te scheduled to be tried before:a Federal Court jury, but entered pleas instead.

Halmo pleaded guilty to. charges of conspiracy to gampling business and conspiricy to transmit wagering information. He faces a maximum penalty of 15 years in prison and a \$30,000 fine.



Halmo

Palmisano .

Judge; Myron L. Gordon ordered a presentence investition.

Palmisano pleaded guilty ganible, conducting a to a charge of conducting a gambling business. He fices a maximum penalty of five years in prison and a \$20,000 fine. Sentencing was scheduled for Wednesday.

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Submitting Office: Milwaukes

Being Investigated

(Mount Clipping in Space Below)

Two Plead Guilty in Bets Case

Two men pleaded guilty here. Monday to gambling charges stemming from FBI raids on Super Bowl Sunday, Jan. 13, 1974.

Steven J. Halmo, 53, of 716
S. 7th St., and August Palmisano, 46, of 5358 N. Kent Ave.,
Whitefish Bay, pleaded guilty before Federal Judge Myronkl.

Gelrdon.

Halmo pleaded guilty to charges of conspiracy to gamble, conducting a gambling



business and conspiracy to transmit: wagering information. He faces a maximum penalty of 15 years in prison and a \$30,000 fine.

Gordon ordered a presentence in ce investigation but told Halmo that his sentence might be concurrent with a one year prison term Halmo is due to start serving Feb. 15 for failure to file a 1968 federal income tax return.

Palmisano pleaded guilty to a charge of conducting a gambling business. He faces a maximum penalty of five years in prison and a \$20,000 fine. Sentencing was scheduled for Wednestlay.

nestlay.

Gordon dismissed a charge against Palmisano of uniawfully storing 93 sticks of dynamite in the basement of his tavern, known as Richie's, 346 N. Broadway.

e page, name of per, city and state.)

Milwaukee Sentinel Milwaukee, Wisconsin

Date: 2/4/75 Edition: Final

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Title:

Character:

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Classification: Submitting Office: Milwaukee

Being Investigated

(Mount Clipping in Space Below)

Gambler Gets Probation, Fine August Palmisano, 46, of 5358 N. Kent Ave., Whitefish

Bay; was fined \$500 and put on two year's probation in federal court here Taursday for operating a gambling business and for conspiracy to transmit wagering information.

Palmisano pleaded guilty Monday. He was sentenced by Federal Judge Myron L. Gordon.

(Indicate page, name of newspaper, city and state.)

> B-1 The Milwaukee Journa Milwaukee, Wisconsin

> > b6 b7C

2/7/75 Edition: Latest Author:

Title:

Character: or

Date:

Editor:

Classification: Submitting Office: Milwaukee

Probation on

August Palmisano, who has. gambling business, Thursday was fined \$500 and placed on probation for two years by Federal Judge Myron L. Gordon.

- The maximum penalty Palmisano faced was five years in prison and a \$20,000 fine. Palmisano, 46, of 5358 N

Kent Ave., Whitefish Bay, was arrested in connection with an FBI gambling raid on Superbow. Sunday, Jan. 13, 1974.

mized Palmisano's relationship with Steven J. Halmo, 53, of 716 S. 7th St., who also has pleaded guilty to gambling charges. Hausmann said that while Palmisano had taken some bets for Halmo. Palmisa-

no didn't make any money. Hausmann acknowledged that Halmo had been in Palmisano's tavern and had given him gambling information.

Hausmann said that Palmisang comes from a good family, is the father of four children, gets up daily at 4 a m. to starp operations at Palmisano Produce, works eight hours operating a truck and then helps

run his tavern.

hours a day, six days a week, since he was a young mail. In December, Palmidano's wife had a mastectom, and next week she is to have a hysterectomy, Hausmann said, adding that Palmisano had become so nervous his hands

The attorney said Palmisano had been working 12 to 14

Atty. Gregory Ward, a mempleaded guilty to conducting a ber of the US Justice Department's organized crime strike force in Chicago, said the gambling business could not be classed as minor.

Ward said that Palmisano had knowingly assisted Halmo and knew he was a bookmaker. Ward said Halmo had paid: Palmisano 10% "juice" on

bets he handled. Golden said the relationship. between Palmisano and Halmo: appeared to be limited and that, outside of traffic cases,: Atly! Charles J. Hausnlann, Palmisano had no previous recrepresenting Palmisano, mini- ord of convictions.

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newspaper, city and state.)





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FEDERAL BUREAU OF INVESTIGATION

Date of transcription. was interviewed at the FBI Office, Milwaukee, Wisconsin, on Special Agents identified themselves as Special Agents of the FBI. then furnished the following signed statement: 2/11/75 of Milwaukee, Wisconsin File # MI 166-364

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; It and its contents are not to be distributed outside your agency.

	2/11/75	
"SA "SA	, FBI, Milwaukee, Wisc., FBI, Milwaukee, Wisc.,	

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/24/75

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FEDERAL BUREAU OF INVESTIGATION

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REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD		
MILWAUKEE	MILWAUKEE	3-1.3-75	12-2-74 - 3-7-75		
TITLE OF CASE		REPO	TYPED BY		
CHANGED		SA			
AUGUST S. PALMISA	ANO;	CHARACTER OF C	ASE		
STEVEN JOHN HALM					
SIDNEY ALBERT BROFRANK GENO SPINE		TTAR	- GAMBLING; IGB;		
TRANK GENO SI INE.	<u> </u>	ITWI; CONSPIRACY			
			,		
(Title Conti	nued Cover Page B)	<u> </u>			
Title changed to KERMENDY.	RICHARD KE	NDZIORSKI ar hanged to de	GEORGE d to add subject elete OOJ character. 66 b7c		
REFERENCES: Mil	waukee report of S	SA	11-29-74;		
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Bur	eau Lab Report, 1-	30-75.	•		
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<u>ADMINISTRATIVE</u>					
Milwau regarding the co	kee submitting foun	r R-84's (Di HALMO, PA	sposition Report)		
ACCOMPLI		NONE ACQUIT	CASE HAS BEEN:		
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M	SPECIAL AGENT	.	NOT WRITE IN SPACES BELOW		
COPIES MADE:	. ' IN CHARGE		NOT WRITE IN SPACES BELOW		
3 - Bureau (166-	5400) (RM)	19	2-394-13		
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